
AGENCY: Executive Director

SUBJECT: Ceiling Allocation Reinstatement

On January 30, 2007, the Board granted a tentative ceiling allocation for Standard Plywoods, Inc., project in the amount of \$6,000,000 with an expiration date of April 30, 2007. Both bond counsel and the issuing authority, JEDA, have indicated that ARE Holdings, LLC was added as a co-obligor with respect to financing. Because of this change, the necessary closing documents could not be finalized by the allocation expiration date of April 30, 2007. In accord with S.C. Code of Laws Section 1-11-560(D), JEDA requests 30-day reinstatement of the ceiling allocation to Standard Plywoods, Inc., from April 30, 2007, through May 30, 2007, in the amount of \$6,000,000. The allocation will expire on May 30, 2007, if the bonds are not issued on or before that date.

BOARD ACTION REQUESTED:

In accord with Code Section 1-11-560(D), grant JEDA's request for a 30-day reinstatement of the ceiling allocation to Standard Plywoods, Inc., from April 30, 2007, through May 30, 2007, in the amount of \$6,000,000 .

ATTACHMENTS:

Franks 4/23/07 letter; McKinney 4/11/07 letter; Code Section 1-11-560(D) et seq.

PETER M. BROWN
Chairman

ELLIOTT E. FRANKS, III
President & CEO

April 23, 2007

Mr. Delbert Singleton
Board Secretary
State Budget and Control Board
612 Wade Hampton Office Building
Post Office Box 12444
Columbia, South Carolina 29211

Re: \$6,000,000 South Carolina Jobs-Economic Development Authority Economic Development
Revenue Bonds (Standard Plywoods, Incorporated Project) Series 2007

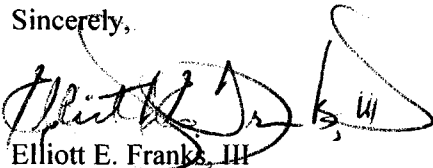
Dear Delbert:

On January 30, 2007, a tentative allocation certificate was issued, with respect to the above bond transaction, for Appalachian Engineered Floors, Inc. and Standard Plywoods, Incorporated in the amount of \$6,000,000 with an expiration date of April 30, 2007. On March 6, 2007, ARE Holdings, LLC was added as a co-obligor with respect to the financing. Due simply to logistical issues, we understand that the necessary closing documentation will not be completed and signed by the necessary parties by the April 30 date. We, therefore, request a 30-day reinstatement of the allocation, as permitted by S.C. Code §1-11-560(D), reinstating the allocation to remain available for this transaction through May 30, 2007.

The undersigned certifies that the authorized request for allocation submitted previously is still true and correct.

Please let us know if you need any further information.

Sincerely,



Elliott E. Franks, III

cc: C. Anthony Smith, Esq.
Kathleen Crum McKinney, Esq.

April 11, 2007

Mr. Delbert Singleton
Board Secretary
State Budget and Control Board
612 Wade Hampton Office Building
Post Office Box 12444
Columbia, South Carolina 29211

Re: \$6,000,000 South Carolina Jobs-Economic Development Authority Economic Development
Revenue Bonds (Standard Plywoods, Incorporated Project) Series 2007

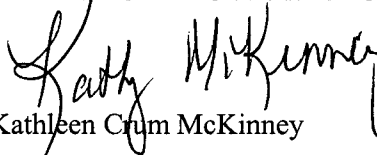
Dear Delbert:

On January 30, 2007, a tentative allocation certificate was issued for Appalachian Engineered Floors, Inc. and Standard Plywoods, Incorporated (collectively, the "Company") in the amount of \$6,000,000 with an expiration date of April 30, 2007. On March 6, 2007, ARE Holdings, LLC was added as a co-obligor with respect to the financing. After discussions with Branch Banking and Trust Company, we cannot finalize the necessary closing documentation by the April 30 date. We, on behalf of the Company and ARE Holdings, LLC, would like to request a 30-day extension of the allocation until May 30, 2007.

Please let us know if you need any further information.

Sincerely,

HAYNSWORTH SINKLER BOYD, P.A.


Kathleen Crum McKinney

KCM/dcp

cc: C. Anthony Smith, Esq.
Elliott E. Franks III

(D) In accordance with Section 149(e)(2)(F) of the Code, the secretary of the Budget and Control Board is designated as the state official responsible for certifying, if applicable, that certain bonds meet the requirements of Section 146 of the Code relating to the volume cap on private activity bonds.

(E) Any tentative or final state ceiling allocation granted by the board before the effective date of this act remains valid as an allocation of a portion of the volume cap for South Carolina provided under Section 146 of the Code. The allocations expire in accordance with the regulations under which they were granted or extended and their validity may be extended or reinstated in accordance with the provisions of Sections 1-11-500 through 1-11-570.

SECTION 1-11-560. Time limits on allocations.

(A) Any state ceiling allocation approved by the board is valid only for the calendar year in which it is approved, unless eligible and approved for carry-forward election or unless specified differently in the board certificates required by Section 1-11-550.

(B) Unless eligible and approved for carry-forward election or unless specified differently in board certificates required by Section 1-11-550, each state ceiling allocation expires automatically if the bonds for which the allocation is made are not issued within ninety consecutive calendar days from the date the allocation is approved by the board.

(C) In response to a written request by the chairman or other duly authorized official or agent of an issuing authority, the board, acting during the period an approved allocation is valid, may extend the period in which an allocation is valid in a single calendar year by thirty-one consecutive calendar days to a total of not more than one hundred twenty-one consecutive calendar days.

(D) In response to a written request by the chairman or other authorized official or agent of an issuing authority, the board may reinstate for a period of not more than thirty-one consecutive calendar days in any one calendar year part or all of an allocation approved but not extended previously in accordance with subsection (C) of this section in that same calendar year which has expired. The reinstatement request must certify that the authorized request submitted previously is still true and correct or a new authorized request must be submitted.

(E) A tentative ceiling allocation is canceled automatically if the chairman or other authorized official or agent of the issuing authority involved fails to deliver the issue amount certificate required by Section 1-11-550 to the board secretary before the bonds for which the allocation is made are issued.

(F) The chairman or other authorized official or agent of an issuing authority shall advise the board secretary in writing as soon as is practicable after a decision is made not to issue bonds for which a portion of the state ceiling has been allocated. All notices of relinquishment of ceiling allocations must be entered promptly in the board's records by the board secretary.

(G) Ceiling allocations which are eligible and approved for carry-forward election are not subject to the validity limits of this section. The board shall join with the issuing authorities involved in carry-forward election statements to meet the requirements of the Internal Revenue Service.

SECTION 1-11-570. Budget and Control Board to adopt policies and procedures.

The Budget and Control Board, after review and comment by the committee, may adopt the policies and procedures it considers necessary for the equitable and effective administration of Sections 1-11-500 through 1-11-570.

1, 3, 5, 7, 9, 11, 13, 31, 33, 79, 83, 105

107, 109, 115, 123